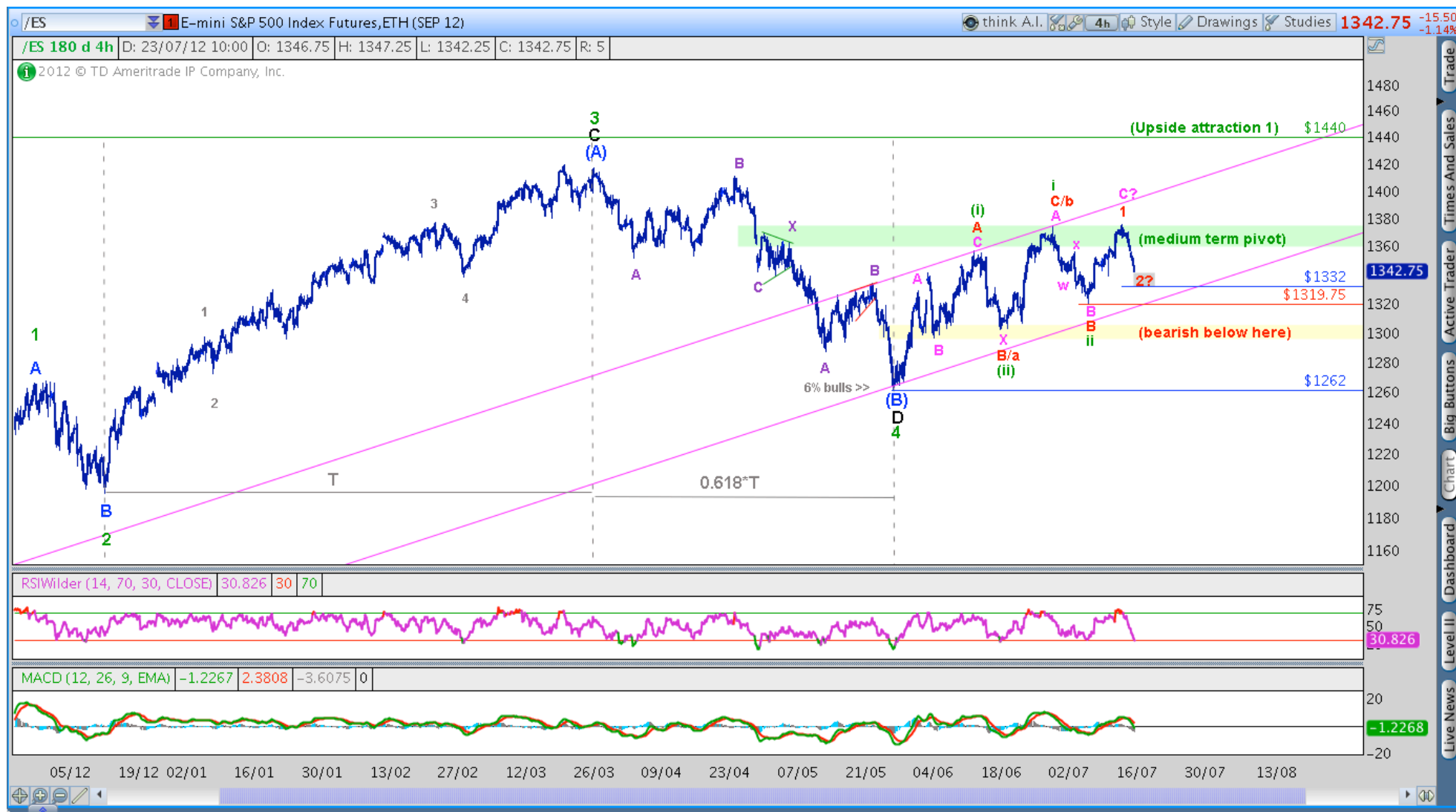


SPX (Sept Future @ 1342.75 on Mon, 23 July 2012 1100 GMT)

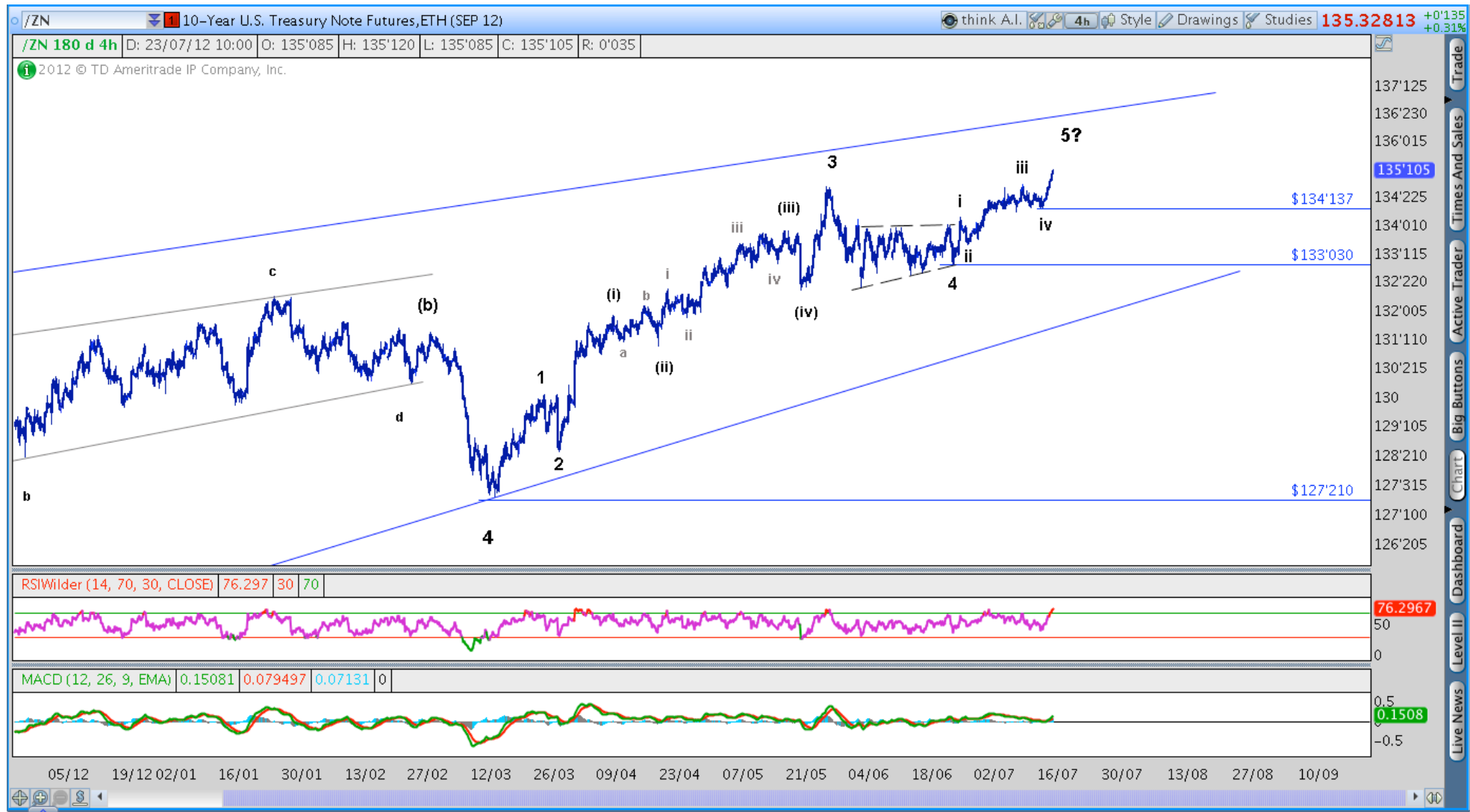
The selloff from Friday continues in the futures markets today. Support is in the 1320-30 area. Trading below 1300 would end the series of higher highs and higher lows from the **1262**. Until then I favor a continued advance, even if the price structure is not clearly impulsive. A few possible counts from the lows (pink, red and green) are shown below.

Medium Term: We counted a Double Combination **ABC-X-ABC** down from this year's high down to **1262**. It took 61.8% of the time taken by the Dec'11-Mar'12 rally. *SPX did not trade below the suspected wave 1 high at 1266.73 so it is technically possible that the decline was wave 4*. Medium-term counts maintained in **Black (1262 = wave D)** and **Blue {1262 = wave (B)}**. Both are bullish in the medium term (as long as we trade above 1290-1300).



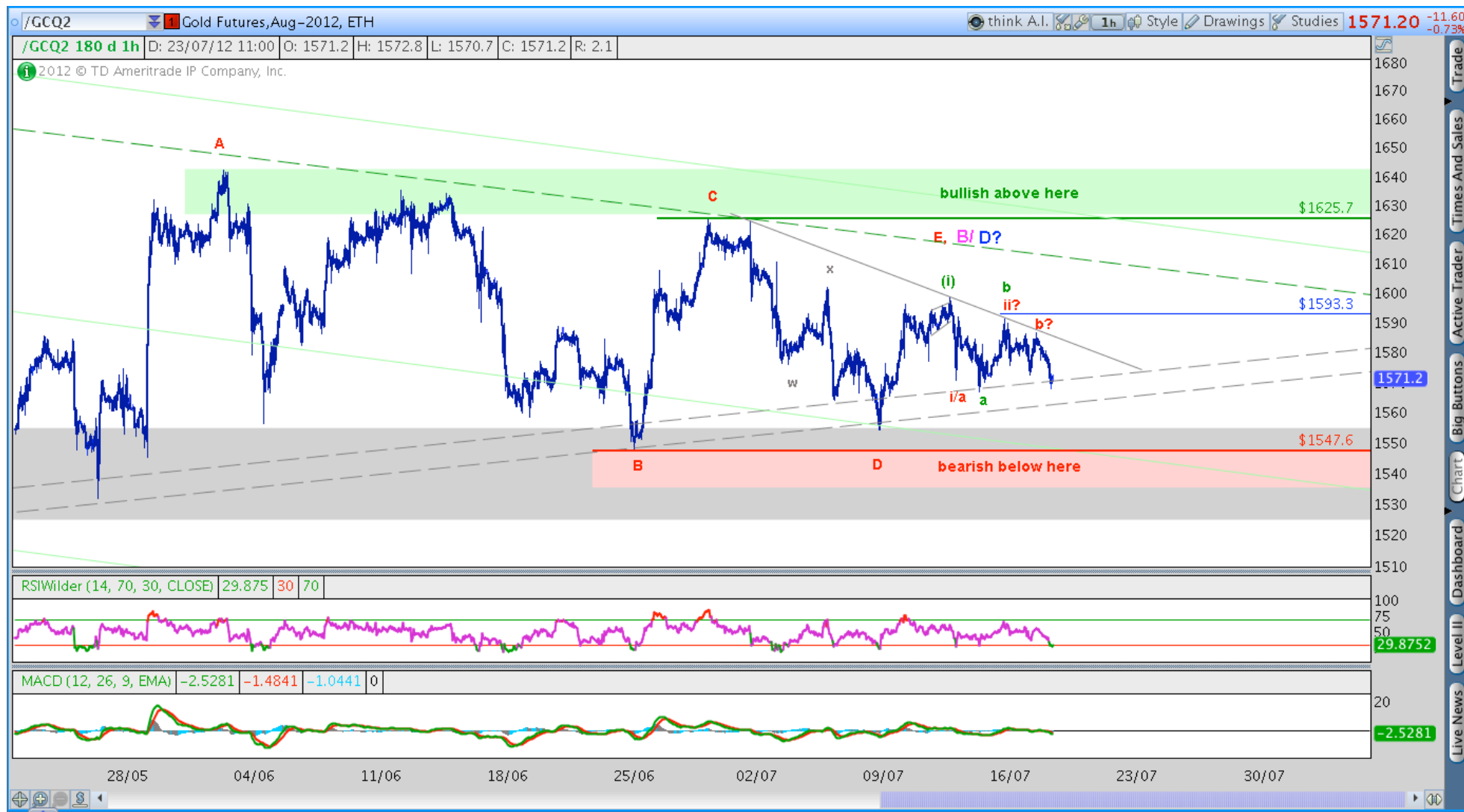
US10YR (*Sept Future @ 135'105 on Mon, 23 July 2012 1115 GMT*)

Notes are in a mature stage of their advance from **\$127'210**. Recent new highs favor an adjustment to the wave-count as shown below. Wave 'v' of 5 of 5 appears to be underway as a sharp advance and should reverse sharply below **\$134'137** when complete. No clear targets are offered for this move.



Gold (*August Future @ 1571.2 on Mon, 23 Jul 2012 1125 GMT*)

Gold rallied from the “multi-month support” zone in 5 waves as a possible wave (i). However, a deep pullback is weighing on the price. The bearish wave-count gains weight if it trades below \$1565. Gold needs to trade back above \$1600 to negate the bearish possibilities. The direction of the next big move depends on whether support or resistance prevails. Key levels are \$1547.6 & \$1535 for a bearish decline; and above the descending Green “resistance” trend-line (\$1625.7 & \$1643) for a bullish breakout.



Crude Oil (*August Futures @ 91.56 on Mon, 23 June 2012 1125 GMT*)

The impulsive advance is correcting in wave 'iv' Fibonacci extension targets for wave (3)/C are **\$96.06** and **\$103.37**.

Medium term: The recent rally broke out of the **2-month old declining trend-line** in a spectacular "out-of-the-blue" fashion. Crude Oil prices continued to advance impulsively. The advance is now challenging **\$92.52**, which remains a medium-term pivot.



EUR/USD (1.2117 on Mon, 23 July 2012 1130 GMT)

Trading below 1.2187 opened the door to lower lows. The modified wave-count marks this as the 5th wave of the decline from 1.2693. As the Euro searches for a short-term bottom, a correction/reversal of the decline could target 1.24/1.25.

Medium term: A decline is underway in wave e of E towards 1.18/1.20 (larger count not visible here)



USD/JPY (78.12 on Mon, 23 July 1135 GMT)

The correction from the longstanding **\$80.54** pivot level continues towards **78.27/\$**. Having advised shorts to take profits/tighten stops and stand aside, we wait to see the reaction (if any) from this level.

Medium Term: Bulls may soon attempt another rally from a higher low around \$78 to \$78.27. Sustained trading below this support level is bearish.



CONTACT

For all enquiries please email arvind@damarlaconsulting.com or call Arvind Damarla at +44 79 6049 2060

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